

Registre de Commerce et des Sociétés

Numéro RCS : B180022

Référence de dépôt : L170040837

Déposé et enregistré le 15/03/2017

BXSOCLP20170223T11404401_001

RCSL Nr. : B180022

Matricule : 2013 2438 952

eCDF entry date : 14/03/2017

BALANCE SHEET

Financial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

Amazon Europe Core S.à r.l.

5, Rue Plaetis

L-2338 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid			
I. Subscribed capital not called	1101 _____	101 _____	102 _____
II. Subscribed capital called but unpaid	1103 _____	103 _____	104 _____
	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 <u>3.180.546.556,00</u>	110 <u>1.704.648.733,00</u>
I. Intangible assets	1111 <u>3</u>	111 <u>31.890.040,00</u>	112 _____
1. Costs of development	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 <u>22.225.830,00</u>	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 <u>22.225.830,00</u>	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 <u>9.664.210,00</u>	122 _____
4. Payments on account and intangible assets under development	1123 _____	123 _____	124 _____
II. Tangible assets	1125 <u>4</u>	125 <u>5.002.693,00</u>	126 <u>3.782.600,00</u>
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 _____	131 <u>4.903.609,00</u>	132 <u>3.443.931,00</u>
4. Payments on account and tangible assets in the course of construction	1133 _____	133 <u>99.084,00</u>	134 <u>338.669,00</u>
III. Financial assets	1135 _____ 5	135 <u>3.143.653.823,00</u>	136 <u>1.700.866.133,00</u>
1. Shares in affiliated undertakings	1137 _____	137 <u>3.143.653.823,00</u>	138 <u>1.700.866.133,00</u>
2. Loans to affiliated undertakings	1139 _____	139 _____	140 _____
3. Participating interests	1141 _____	141 _____	142 _____
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Investments held as fixed assets	1145 _____	145 _____	146 _____
6. Other loans	1147 _____	147 _____	148 _____
D. Current assets	1151 _____	151 <u>1.686.760.355,00</u>	152 <u>393.843.585,00</u>
I. Stocks	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work in progress	1157 _____	157 _____	158 _____
3. Finished goods and goods for resale	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 <u>941.023.795,00</u>	164 <u>393.815.022,00</u>
1. Trade debtors	1165 _____	165 <u>37.110,00</u>	166 <u>8.816,00</u>
a) becoming due and payable within one year	1167 _____	167 <u>37.110,00</u>	168 <u>8.816,00</u>
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____ 6	171 <u>939.821.731,00</u>	172 <u>393.690.483,00</u>
a) becoming due and payable within one year	1173 _____	173 <u>549.272.880,00</u>	174 <u>393.690.483,00</u>
b) becoming due and payable after more than one year	1175 _____	175 <u>390.548.851,00</u>	176 _____
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____
4. Other debtors	1183 _____	183 <u>1.164.954,00</u>	184 <u>115.723,00</u>
a) becoming due and payable within one year	1185 _____	185 <u>1.164.954,00</u>	186 <u>115.723,00</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____

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	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 <u>307.630.773,00</u>	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____ 7	209 <u>307.630.773,00</u>	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____	197 <u>438.105.787,00</u>	198 <u>28.563,00</u>
E. Prepayments	1199 _____	199 <u>1.243.915,00</u>	200 <u>1.245.063,00</u>
TOTAL (ASSETS)		201 <u>4.868.550.826,00</u>	202 <u>2.099.737.381,00</u>

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 <u>7</u>	301 <u>3.509.820.026,00</u>	302 <u>451.352.087,00</u>
I. Subscribed capital	1303 _____	303 <u>192.061,00</u>	304 <u>37.501,00</u>
II. Share premium account	1305 _____	305 <u>2.760.198.920,00</u>	306 <u>307.589.522,00</u>
III. Revaluation reserve	1307 _____	307 <u>73.295.332,00</u>	308 <u>-4.858.267,00</u>
IV. Reserves	1309 _____	309 <u>307.649.980,00</u>	310 <u>3.750,00</u>
1. Legal reserve	1311 _____	311 <u>19.207,00</u>	312 <u>3.750,00</u>
2. Reserve for own shares	1313 _____	313 <u>307.630.773,00</u>	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves, including the fair value reserve	1429 _____	429 _____	430 _____
a) other available reserves	1431 _____	431 _____	432 _____
b) other non available reserves	1433 _____	433 _____	434 _____
V. Profit or loss brought forward	1319 _____	319 <u>148.579.580,00</u>	320 <u>-4.509.236,00</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>219.904.153,00</u>	322 <u>153.088.817,00</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
B. Provisions	1331 _____	331 _____	332 _____
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____	338 _____
C. Creditors	1435 _____	435 <u>1.358.730.800,00</u>	436 <u>1.648.385.294,00</u>
1. Debenture loans	1437 _____	437 _____	438 _____
a) Convertible loans	1439 _____	439 _____	440 _____
i) becoming due and payable within one year	1441 _____	441 _____	442 _____
ii) becoming due and payable after more than one year	1443 _____	443 _____	444 _____
b) Non convertible loans	1445 _____	445 _____	446 _____
i) becoming due and payable within one year	1447 _____	447 _____	448 _____
ii) becoming due and payable after more than one year	1449 _____	449 _____	450 _____
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____ 8	367 _____ 232.376.478,00	368 _____ 232.171.982,00
a) becoming due and payable within one year	1369 _____	369 _____ 232.376.478,00	370 _____ 232.171.982,00
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ 9	379 _____ 1.118.028.500,00	380 _____ 1.408.801.158,00
a) becoming due and payable within one year	1381 _____	381 _____ 292.484.700,00	382 _____ 222.517.780,00
b) becoming due and payable after more than one year	1383 _____	383 _____ 825.543.800,00	384 _____ 1.186.283.378,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Other creditors	1451 _____ 8	451 _____ 8.325.822,00	452 _____ 7.412.154,00
a) Tax authorities	1393 _____ 10	393 _____ 366.199,00	394 _____ 54.818,00
b) Social security authorities	1395 _____	395 _____ 2.753.239,00	396 _____ 2.075.544,00
c) Other creditors	1397 _____	397 _____ 5.206.384,00	398 _____ 5.281.792,00
i) becoming due and payable within one year	1399 _____	399 _____ 5.206.384,00	400 _____ 5.281.792,00
ii) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
D. Deferred income	1403 _____	403 _____	404 _____
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 _____ 4.868.550.826,00	406 _____ 2.099.737.381,00

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PROFIT AND LOSS ACCOUNT

Financial year from ⁰¹ 01/01/2016 to ⁰² 31/12/2016 (in ⁰³ EUR)

Amazon Europe Core S.à r.l.

5, Rue Plaetis
L-2338 Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 <u>3.605.403.904,00</u>	702 <u>2.946.055.083,00</u>
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____ 11	713 <u>7.061.933,00</u>	714 <u>5.850.946,00</u>
5. Raw materials and consumables and other external expenses	1671 _____	671 <u>-3.027.450.413,00</u>	672 <u>-1.939.789.888,00</u>
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ 12	603 <u>-3.027.450.413,00</u>	604 <u>-1.939.789.888,00</u>
6. Staff costs	1605 _____ 13 & 14	605 <u>-48.948.717,00</u>	606 <u>-39.865.875,00</u>
a) Wages and salaries	1607 _____	607 <u>-42.348.483,00</u>	608 <u>-34.406.808,00</u>
b) Social security costs	1609 _____	609 <u>-6.600.234,00</u>	610 <u>-5.459.067,00</u>
i) relating to pensions	1653 _____	653 <u>-3.205.585,00</u>	654 <u>-2.552.093,00</u>
ii) other social security costs	1655 _____	655 <u>-3.394.649,00</u>	656 <u>-2.906.974,00</u>
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 <u>-18.122.765,00</u>	658 <u>-1.423.270,00</u>
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____ 3 & 4	659 <u>-18.122.765,00</u>	660 <u>-1.423.270,00</u>
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____ 15	621 <u>-720.460.901,00</u>	622 <u>-936.153.943,00</u>

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715 358.963.240,00	716 192.724.292,00
a) derived from affiliated undertakings	1717 5	717 358.963.240,00	718 192.724.292,00
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727 6 & 9 & 16	727 94.008.618,00	728 6.000.604,00
a) derived from affiliated undertakings	1729	729 10.339.889,00	730 7.938,00
b) other interest and similar income	1731	731 83.668.729,00	732 5.992.666,00
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627 9 & 17	627 -51.604.203,00	628 -96.632.772,00
a) concerning affiliated undertakings	1629	629 -26.713.486,00	630 -22.565.710,00
b) other interest and similar expenses	1631	631 -24.890.717,00	632 -74.067.062,00
15. Tax on profit or loss	1635 10	635 21.085.557,00	636 16.323.665,00
16. Profit or loss after taxation	1667	667 219.936.253,00	668 153.088.842,00
17. Other taxes not shown under items 1 to 16	1637 10	637 -32.100,00	638 -25,00
18. Profit or loss for the financial year	1669	669 219.904.153,00	670 153.088.817,00

Registre de Commerce et des Sociétés

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Déposé le 15/03/2017

**Amazon Europe Core S.à r.l.
5, rue Plaetis
L-2338 Luxembourg**

**Subscribed Capital: EUR 192,061
R.C.S. Luxembourg B 180.022**

**Annual accounts as at 31 December 2016 and
Independent auditor's report**

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Building a better
working world

Ernst & Young
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Independent auditor's report

To the Shareholders of
Amazon Europe Core S.à r.l.
5, rue Plaetis
L-2338 Luxembourg

Report on the annual accounts

We have audited the accompanying annual accounts of Amazon Europe Core S.à r.l. (the "Company"), which comprise the balance sheet as at 31 December 2016 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information. The annual accounts as at 31 December 2015 and for the year then ended were not audited by an independent auditor in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier".

Board of Managers responsibility for the annual accounts

The Board of Managers is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts and for such internal control as the Board of Managers determines is necessary to enable the preparation and presentation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the "réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the "réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the "réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of managers, as well as evaluating the overall presentation of the annual accounts.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Amazon Europe Core S.à r.l. as at 31 December 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Managers, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in black ink, appearing to read "Gaël Denis", is written over a horizontal line.

Gaël Denis

Luxembourg, 17 February 2017

Amazon Europe Core S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts As at 31 December 2016

Note 1 - General

Amazon Europe Core S.à r.l. (the "Company") was incorporated in Luxembourg on 28 August 2013. The registered office is established at 5, rue Plaetis, L-2338 Luxembourg. The registration number is B 180.022.

The financial year begins on 1 January and ends on 31 December of each year.

The Company's principal purpose is to provide services to its affiliated undertakings. The Company also holds interests in other companies.

In June 2016, Amazon Europe Holding Technologies S.à r.l., the Company's sole shareholder, merged by absorption into the Company (the "Merger"). Amazon Europe Holding Technologies S.à r.l. contributed its net assets to the Company in exchange for the Company's issuance of shares to its shareholders.

The Company's accounts are included within the consolidated accounts of Amazon.com, Inc., located in the United States at 410 Terry Avenue North, Seattle, Washington 98109-5210, USA.

As Amazon.com, Inc., which is the ultimate parent, prepares consolidated accounts, the Company is exempt from preparing consolidated accounts. These consolidated accounts are available at the ultimate parent company's office located in the United States.

Note 2 - Significant accounting policies

General principles

The annual accounts are drawn up in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg.

Presentation and basis of the annual accounts

Certain modifications have been made to the format of the annual accounts for the year ended 31 December 2016 in conformity with the changes brought by the law of 18 December 2015. These modifications affect the presentation of certain balances but they have no net impact on the result of the Company. Certain prior year amounts have been reclassified to conform to the current year format.

Intangible fixed assets

Intangible fixed assets acquired separately from a business are capitalised at cost. Intangible fixed assets, excluding development costs, created within the business are not capitalised and expenses are charged against profits in the year in which they are incurred. Amortisation is calculated on a straight line basis over the estimated useful life of the assets (2 to 10 years). The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment adjustments. Depreciation is calculated on a straight line basis over the estimated useful life of the assets (3 to 9 years for tangible fixed assets). The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Amazon Europe Core S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 2 - Significant accounting policies (continued)

Financial fixed assets

Shares in affiliated undertakings are valued at their historical cost.

When management considers that a permanent impairment in value of financial fixed assets exists, a value adjustment is recognized, so that they are valued at the lower value to be attributed to them at the balance sheet date. These value adjustments may not be continued if the events for which the value adjustments were made have ceased to apply.

Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their reimbursement is partly or completely in doubt. These value adjustments may not be continued if the reasons for which the value adjustments were made have ceased to apply.

Cash at bank and in hand

Cash at bank and in hand consists of cash with banks.

Foreign currency translation

The Company maintains its books and records in EUR. Transactions in other currencies are translated into EUR at the rates of exchange prevailing on the dates of the transactions.

Non-monetary assets and liabilities denominated in other currencies are translated into EUR at the historical exchange rate. Other assets and liabilities denominated in other currencies are translated into EUR at the exchange rate at the balance sheet date. Realized exchange gains and losses and unrealized exchange losses are reflected in the profit and loss account. Unrealized exchange gains are reflected in "Revaluation reserve".

The Company has a business unit which transacts most of its business in Great Britain Pound ("GBP"). For purposes of including this business unit into the annual accounts of the Company, the balance sheet is translated from GBP to EUR using the closing rate method, including amounts owed between the GBP business unit and EUR business units. Profit and loss accounts are translated at average exchange rates prevailing throughout the year. Exchange differences arising from this translation are recorded in Capital and reserves under "Revaluation reserve".

The following table presents the currency translation rates from GBP to EUR as of 31 December 2016 and 2015, and the average rates for the years ended 31 December 2016 and 2015.

2016	31 December 2016	2015	31 December 2015
Average rate	Closing rate	Average rate	Closing rate
1.22	1.17	1.38	1.36

Creditors

Debts are recorded at their repayment value.

Amazon Europe Core S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 2 - Significant accounting policies (continued)

Revenue recognition

The Company recognizes revenues for services rendered and other revenue when the following four recognition criteria are met: persuasive evidence of an arrangement exists, services have been rendered, the selling price is fixed or determinable, and collectibility is reasonably assured.

Revenue primarily consists of services provided to affiliated undertakings.

Use of estimates

The preparation of annual accounts in conformity with the Luxembourg legal and regulatory requirements requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the annual accounts. Estimates are used for, but not limited to, useful lives of fixed assets, valuation and impairment of investments, collectibility of receivables, income taxes and contingencies. Actual results could differ materially from those estimates.

Note 3 - Intangible assets

Intangible assets mainly consist of goodwill and intellectual property.

	31 December 2016 TEUR
Cost at the beginning of the year	—
Additions	47,912
Disposals	(1,088)
Cost at the end of the year	<u>46,824</u>
Accumulated amortisation at the beginning of the year	—
Amortisation charged during the year	(16,022)
Disposals	1,088
Accumulated amortisation at the end of the year	<u>(14,934)</u>
Net book value at the end of the year	<u>31,890</u>

In June 2016, goodwill and intellectual property were contributed to the Company for TEUR 47,912 through the Merger.

Amazon Europe Core S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 4 - Tangible assets

Tangible assets consist of computer equipment, technology infrastructure, leasehold improvements and tangible assets under development.

	31 December 2016 TEUR	31 December 2015 TEUR unaudited
Cost at the beginning of the year	5,798	3,107
Additions	3,321	2,815
Disposals	(1)	(124)
Cost at the end of the year	<u>9,118</u>	<u>5,798</u>
Accumulated depreciation at the beginning of the year	(2,015)	(652)
Depreciation charged during the year	(2,101)	(1,423)
Disposals	1	60
Accumulated depreciation at the end of the year	<u>(4,115)</u>	<u>(2,015)</u>
Net book value at the end of the year	<u>5,003</u>	<u>3,783</u>

Note 5 - Financial assets

Undertakings in which the Company holds at least 20% of their share capital are as follows:

Company name		Ownership		Carrying amount	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
		%	%	TEUR	TEUR
			unaudited		unaudited
Amazon Eurasia Holdings S.à r.l., Luxembourg	(1)	100%	—	971,932	—
Amazon Instant Video Limited, UK		100%	100%	717,381	717,381
Amazon EU S.à r.l., Luxembourg	(2)	100%	100%	520,947	70,947
Amazon Instant Video Germany GmbH, Germany	(3)	100%	100%	447,000	505,000
Amazon Logistik GmbH, Germany		100%	100%	101,832	101,832
Amazon Logistic Prague s.r.o., Czech Republic	(4)	100%	100%	89,655	68,187
Amazon Koblenz GmbH, Germany		100%	100%	51,645	51,645
Amazon FC Graben GmbH, Germany		100%	100%	33,180	33,180
Others				210,082	152,694
Total				<u>3,143,654</u>	<u>1,700,866</u>

⁽¹⁾ The investment in Amazon Eurasia Holdings S.à r.l., Luxembourg was contributed to the Company for TEUR 1,166,932 through the Merger.

Amazon Europe Core S.à r.l.
Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 5 - Financial assets (continued)

In December 2016, the Company received an interim dividend in kind of TEUR 358,963 from Amazon Eurasia Holdings S.à r.l., Luxembourg. Subsequently, the Company decreased its investment in Amazon Eurasia Holdings S.à r.l., Luxembourg by TEUR 195,000 as a result of a capital reduction undertaken by Amazon Eurasia Holdings S.à r.l., Luxembourg.

- (2) In December 2016, the Company increased its investment in Amazon EU S.à r.l., Luxembourg by a cash contribution of TEUR 450,000.
- (3) In December 2016, the Company decreased its investment in Amazon Instant Video Germany GmbH, Germany by TEUR 58,000 as a result of a capital reduction undertaken by Amazon Instant Video Germany GmbH, Germany.
- (4) In May 2016, the Company increased its investment in Amazon Logistic Prague s.r.o., Czech Republic by a cash contribution of TCZK 580,000 (TEUR 21,468).

Art. 65 paragraph (1) 2° of the amended law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings (the "law") requires the disclosure of the amount of capital and reserves and profit and loss for the last financial year of each affiliated undertaking. In conformity with art 67 (3) of the law these details have been omitted since the undertakings are included in the consolidated annual accounts of Amazon.com, Inc..

Note 6 - Amounts owed by affiliated undertakings

Company name	Becoming due and payable		Total as at 31 December	
	within 1 year TEUR	after 1 year TEUR	2016 TEUR	2015 TEUR unaudited
Amazon Corporate Services Pty Limited, Australia				
Loan	—	97,515	97,515	—
Interest	2,684	—	2,684	—
Amazon Data Services Ireland Limited, Ireland				
Loan	—	96,646	96,646	—
Interest	1,487	—	1,487	—
Amazon Spain Fulfillment, S.L., Spain				
Loan	—	69,400	69,400	—
Interest	398	—	398	—
Amazon Technological Services S.A.S., France				
Loan	—	65,000	65,000	—
Interest	71	—	71	—
Amazon EU S.à r.l., Luxembourg	390,842	—	390,842	—
Amazon Services Europe S.à r.l., Luxembourg	128,854	—	128,854	344,805
Others	24,937	61,988	86,925	48,885
	<u>549,273</u>	<u>390,549</u>	<u>939,822</u>	<u>393,690</u>

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Société à responsabilité limitée

Notes to the annual accounts
As at 31 December 2016

Note 6 - Amounts owed by affiliated undertakings (continued)

The interest income in relation to loans amounts to TEUR 10,340 for the year ended 31 December 2016.

The amounts owed by affiliated undertakings mainly consist of loans, receivables for services provided and cash pooling arrangements.

Note 7 - Capital and reserves

	31 December 2015 TEUR unaudited	Allocation of results TEUR	Translation adjustment TEUR	Change in capital TEUR	Results for the year TEUR	31 December 2016 TEUR
Subscribed capital	37	—	—	155	—	192
Share premium account	307,590	—	—	2,452,609	—	2,760,199
Revaluation reserve	(4,859)	—	78,154	—	—	73,295
Legal reserve	4	—	—	15	—	19
Reserve for own shares	—	—	—	307,631	—	307,631
Profit or (loss) brought forward	(4,509)	153,089	—	—	—	148,580
Profit or (loss) for the financial year	153,089	(153,089)	—	—	219,904	219,904
Total	451,352	—	78,154	2,760,410	219,904	3,509,820

In June 2016, the Company received TEUR 2,760,410 of net assets through the Merger in exchange for the issuance of 154,560 new shares with a par value of EUR 1 each. The remaining amount was allocated to the share premium account (TEUR 2,760,240) and legal reserve (TEUR 15). In accordance with the law, the Company allocated TEUR 307,631 of its own shares from the share premium account to a non distributable reserve.

Subscribed capital

As at 31 December 2016, the subscribed capital amounts to TEUR 192 divided into 192,061 shares with a par value of EUR 1 each.

Legal reserve

In accordance with the Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the legal reserve reaches 10% of the issued subscribed capital. The legal reserve is not available for distribution to the shareholder.

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As at 31 December 2016

Note 8 - Creditors

Trade and other creditors are due and payable within one year.

Note 9 - Amounts owed to affiliated undertakings

Company name	Becoming due and payable		Total as at 31 December	
	within 1 year TEUR	after 1 year TEUR	2016 TEUR	2015 TEUR unaudited
Amazon Asia-Pacific Resources Private Limited, Republic of Singapore				
Loan	—	825,544	825,544	—
Interest	2,182	—	2,182	—
Amazon EU S.à r.l., Luxembourg				
Loan	—	—	—	813,605
Interest	—	—	—	3,493
Other payable	—	—	—	106,289
Video Island Entertainment Limited, UK				
Loan	—	—	—	294,133
Interest	—	—	—	232
LOVEFiLM International Limited, UK				
Loan	—	—	—	78,545
Interest	—	—	—	62
Amazon Technologies, Inc., USA	75,083	—	75,083	—
NV Services LLC, USA	61,346	—	61,346	33,952
Amazon Instant Video Limited, UK	33,934	—	33,934	909
Others	119,940	—	119,940	77,581
	<u>292,485</u>	<u>825,544</u>	<u>1,118,029</u>	<u>1,408,801</u>

The interest expense related to loans amounts to TEUR 26,713 for the year ended 31 December 2016 (2015: TEUR 22,566).

The foreign exchange gains related to loans amount to TEUR 44,738 for the year ended 31 December 2016 (2015: foreign exchange losses of TEUR 50,343).

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Notes to the annual accounts
As at 31 December 2016

Note 10 - Tax

The Company is subject to all taxes applicable to Luxembourg commercial companies. The Company has secured approval, in conformity with Article 164 bis of the new law on income tax, for the fiscal consolidation of the Company with Amazon EU S.à r.l., Amazon Media EU S.à r.l., Amazon Services Europe S.à r.l., Amazon Payments Europe S.C.A. and FinLux S.à r.l..

In October 2014, the European Commission opened a formal investigation to examine whether decisions by the tax authorities in Luxembourg with regard to the corporate income tax paid by the Company and certain of its Luxembourg affiliates comply with European Union rules on state aid. If this matter is adversely resolved, Luxembourg may be required to assess, and we may be required to pay, additional amounts with respect to current and prior periods and our taxes in the future could increase. Although we believe our tax estimates are reasonable, the final outcome of tax audits, investigations, and any related litigation could be materially different from our historical income tax provisions and accruals.

Note 11 - Other operating income

Other operating income is related to royalties with affiliated undertakings.

Note 12 - Other external expenses

Other external expenses are related to the operations of the Company, including provision of services from affiliated undertakings.

Note 13 - Staff costs

The Company employed an average of 416 employees during the financial year 2016 (2015: 332).

Note 14 - Emoluments

No emoluments, advances or credits were granted to the Board of Managers during the current and previous financial years.

Note 15 - Other operating expenses

Other operating expenses are related to royalties with affiliated undertakings.

Note 16 - Other interest receivable and similar income

Other interest receivable and similar income are primarily related to interest income and realized foreign exchange gains.

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Notes to the annual accounts
As at 31 December 2016

Note 17 - Interest payable and similar expenses

Interest payable and similar expenses are primarily related to interest expense and foreign exchange losses.

Note 18 - Litigation

The Company and its operations are subject to various lawsuits that have arisen in the course of business. Management is of the opinion that the ultimate outcome of such litigation is not anticipated to have a material adverse effect on the Company's annual accounts.

See also "Note 10 - Tax".

Note 19 - Commitments

During the ordinary course of business, the Company provides guarantees for property leases on behalf of its affiliated undertakings.

**Amazon Europe Core S.à r.l.
Société à responsabilité limitée
Siège social: 5, rue Plaetis L-2338 Luxembourg
Subscribed Capital: 192,061 EUR
R.C.S. Luxembourg: B 180.022
(the « Company »)**

It is noted that the profit and loss account shows a profit amounting to EUR 219,904,153.

The Sole Shareholder decided to allocate the result of the financial year ending on 31 December 2016 as follows:

• Profit brought forward	EUR	148,579,580
• Profit for the Financial Year	EUR	219,904,153
• Total aggregate profit carried forward	EUR	368,483,733

The result allocation is compliant with the proposition made by the Board of Managers.

For filing purpose to the 'Registre de Commerce et des Sociétés de Luxembourg'.

Luxembourg, 15 March 2017.